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RESERVE

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C39MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE, MARKETING AREA

Volume 17

JUNE 1973

Number 11

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Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. E. Bobo, Market Administrator

AUG 3 1973

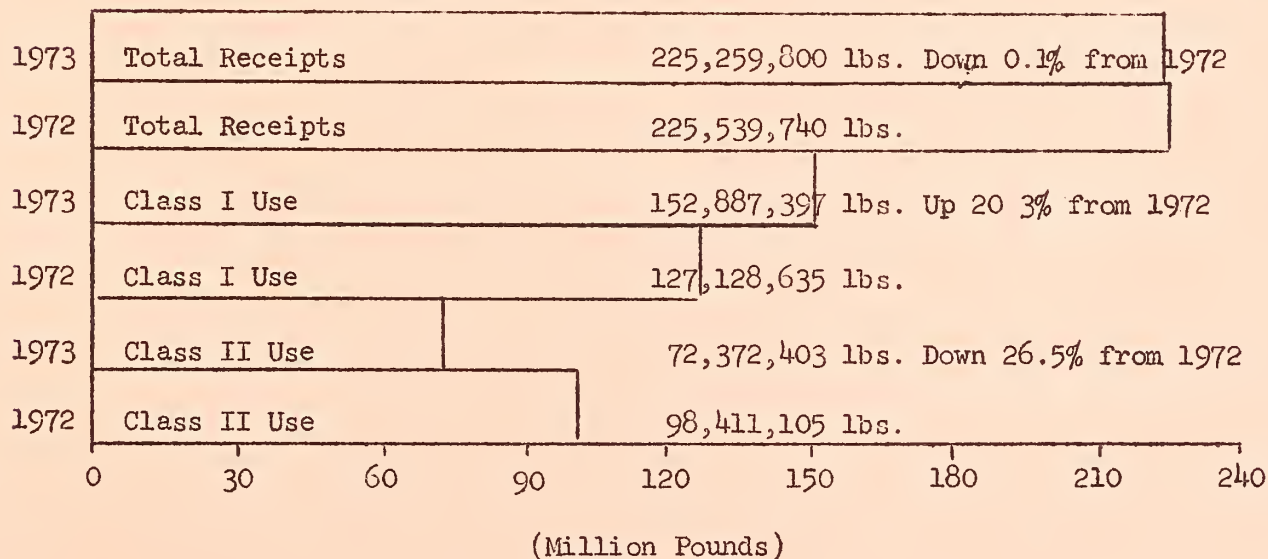
MARKET SUMMARY - JUNE 1973

The Chattanooga Order MINIMUM uniform producer prices per cwt. at pool plants for milk testing 3.5% butterfat are: Base Milk - \$7.24 and Excess Milk - \$5.73. The producer butterfat differential is 7.2 cents for each one-tenth of one percent above or below 3.5% test. This is a Base and Excess price increase of 94 cents and 78 cents respectively above June 1972.

In June 1973, 65.7% of producer milk received by pool plants was priced in Class I at \$7.78 per cwt. and 34.3% was priced in Class II at \$5.73 per cwt. The June butterfat differential for Class I was 7.3 cents and Class II was 7.0 cents.

Total producer milk received during June 1973 was 35,616,267 pounds which is an increase of 94,780 pounds or 0.3% compared with June 1972. Deliveries of producer Base milk exceeded producer milk used in Class I by 8,914,940 pounds or percentagewise only 72.4% of Base milk was used in Class I. The June daily average deliveries from 720 producers was 1,649 pounds. This compares to 745 farms delivering a daily average of 1,589 pounds per day during June 1972.

PRODUCER MILK - RECEIPTS AND CLASSIFICATION
January thru June



COMPARISON OF MILK RECEIPTS AND UTILIZATION

	<u>% June '73</u>			
	<u>Over</u>	<u>June</u>	<u>May</u>	<u>June</u>
	<u>June '72</u>	<u>1973</u>	<u>1973</u>	<u>1972</u>
Number of Plants - Pool		6	6	7
- Non-Pool		12	12	14
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	+ 0.3	1,187,209	1,278,275	1,184,050
Other Source	-16.1	32,256	35,771	38,460
Other Federal Orders	-56.4	54,062	53,786	124,117
TOTAL MILK RECEIPTS	- 5.4	1,273,527	1,367,832	1,346,627
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	+ 2.9	440,702	465,548	428,390
Skim	+10.2	24,304	24,212	22,049
2% Milk	+18.6	171,552	165,071	144,600
Buttermilk	+ 4.4	63,550	60,237	60,896
Flavored Milk and Drink	+10.2	26,167	27,863	23,743
Creams (Sweet and Sour)	+ 8.1	4,169	4,214	3,855
Yogurt	+75.0	1,113	1,307	636
Pkg. Items Sub-Total (Pool Plants)	+ 6.9	731,557	748,452	684,169
Other (Shrinkage, Inventory, etc.)		(1,693)	2,436	8,950
Sales to Non-Pool Plants	+83.1	66,480	55,069	36,313
In-Area Sales by Non-Pool Plants	+11.4	47,358	55,728	42,510
TOTAL CLASS I MILK	+ 9.3	843,702	861,685	771,942
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	+ 1.3	81,011	61,536	79,961
Cottage Cheese	+ 8.5	58,706	59,209	54,085
Powdered and Condensed Milk		-0-	1,880	2,101
Livestock Feed and Milk Dumped		9,123	8,227	8,613
Sub-Total - Used to Produce	+ 2.8	148,840	130,852	144,760
Shrinkage Class II		16,471	10,011	18,789
Other (Inventory Variation, etc.)		(11,451)	(9,883)	(17,807)
Bulk Sales to Non-Pool Plants	-35.7	275,965	375,167	428,943
TOTAL CLASS II MILK	-25.2	429,825	506,147	574,685
<u>CLASS I PACKAGED POUNDS</u>				
Distributed in Area - Pool Plants	+ 1.5	508,650	515,421	500,949
Distributed Out of Area - Pool Plants	+21.7	222,907	233,031	183,220
Distributed In Area - Non-Pool Plants	+11.4	47,358	55,728	42,510
% Producer Milk of Gross. Class I		140.7	148.3	153.4
% Producer Milk Priced in Class I		65.7	62.1	57.5

TOTAL PACKAGE CLASS I POUNDS (DAILY AVERAGE) ON ROUTES IN THE
MARKETING AREA BY POOL PLANTS AND NON-POOL PLANTS

	<u>% June '73</u>			
	<u>Over</u>	<u>June</u>	<u>May</u>	<u>June</u>
	<u>June '72</u>	<u>1973</u>	<u>1973</u>	<u>1972</u>
<u>PACKAGE ITEMS</u>				
Homo Milk	- 2.3	349,362	370,822	357,689
Skim	+11.0	17,207	17,242	15,499
2% Milk	+17.9	114,336	109,813	97,005
Buttermilk	+ 1.6	50,588	47,142	49,794
Flavored Milk and Drink	+ 3.6	20,633	21,953	19,924
Fluid Creams and Yogurt	+ 9.4	3,882	4,177	3,548
Class I Package Pounds - In Area	+ 2.3	556,008	571,149	543,459

COMPUTATION OF PRODUCER UNIFORM BASE AND EXCESS PRICES
AND WEIGHTED AVERAGE PRICE

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JUNE 1973	Class %	Milk Pounds	Butterfat Test - %	Cwt.Price @ Test	Gross Value
Gross Class I		25,311,072	2.952		
Less Other Source		1,921,503	2.607		
Producer Milk Class I	65.7	23,389,569	2.980688	\$7.400902	\$1,731,039.08
Gross Class II		12,894,744	4.668		
Less Other Source		668,046	.909		
Producer Milk Class II	34.3	12,226,698	4.873016	6.691111	818,101.93
TOTAL PRODUCER MILK (Cl.I+Cl.II)	100.0	35,616,267	3.630305		\$2,549,141.01
Add Fractional Adjustment					.11
Add Value of Overage					386.19
Add Value of Inventory Reclassified					3,884.96
Add Value of Class I Other Source and Producer Location Adjustment		5,197			10,991.93
Add $\frac{1}{2}$ Producer-Settlement Fund Reserve					13,576.04
TOTAL VALUE AT TEST		35,621,464	3.629775	\$7.237154	\$2,577,980.24
Less Test over 3.5% @ 7.2¢ per point		35,621,464	.129775	.093438	33,283.98
TOTAL UTILIZATION VALUE AT 3.5%		35,621,464	3.5	\$7.143716	\$2,544,696.26
Less Producer-Settlement Fund Reserve		35,621,464		.043716	
WEIGHTED AVERAGE PRICE - 3.5% TEST		35,621,464	3.5	\$7.10	
Less FMP from Unregulated Supply Plants					
Allocated to Class I @ Wt. Av. Price		5,197		\$7.10	368.99
TOTAL PRODUCER MILK VALUE @ 3.5% TEST		35,616,267			\$2,544,327.27

BASE AND EXCESS PRICES

	Milk Pounds	Cwt.Price @ Test	Amount	
TOTAL PRODUCER MILK VALUE @ 3.5% TEST	35,616,267			\$2,544,327.27
Excess Producer Milk Used in Class I	-			-
Excess Producer Milk Used in Class II	3,311,758	\$5.73	\$189,763.73	
UNIFORM EXCESS PRICE - 3.5% TEST	3,311,758	5.73		189,763.73
Total Value of Base Milk	32,304,509	7.288653		\$2,354,563.54
Less Producer-Settlement Fund Reserve	32,304,509	.048653		15,717.11
UNIFORM BASE PRICE - 3.5% TEST	32,304,509	\$7.24		\$2,338,846.43

JUNE 1973 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 7.2¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS
3.0	\$6.88	\$5.37	4.0	\$7.60	\$6.09	5.0	\$8.32	\$6.81
3.05	6.916	5.406	4.05	7.636	6.126	5.05	8.356	6.846
3.1	6.952	5.442	4.1	7.672	6.162	5.1	8.392	6.882
3.15	6.988	5.478	4.15	7.708	6.198	5.15	8.428	6.918
3.2	7.024	5.514	4.2	7.744	6.234	5.2	8.464	6.954
3.25	7.06	5.55	4.25	7.78	6.27	5.25	8.50	6.99
3.3	7.096	5.586	4.3	7.816	6.306	5.3	8.536	7.026
3.35	7.132	5.622	4.35	7.852	6.342	5.35	8.572	7.062
3.4	7.168	5.658	4.4	7.888	6.378	5.4	8.608	7.098
3.45	7.204	5.694	4.45	7.924	6.414	5.45	8.644	7.134
3.5	7.24	5.73	4.5	7.96	6.45	5.5	8.68	7.17
3.55	7.276	5.766	4.55	7.996	6.486	5.55	8.716	7.206
3.6	7.312	5.802	4.6	8.032	6.522	5.6	8.752	7.242
3.65	7.348	5.838	4.65	8.068	6.558	5.65	8.788	7.278
3.7	7.384	5.874	4.7	8.104	6.594	5.7	8.824	7.314
3.75	7.42	5.91	4.75	8.14	6.63	5.75	8.86	7.35
3.8	7.456	5.946	4.8	8.176	6.666	5.8	8.896	7.386
3.85	7.492	5.982	4.85	8.212	6.702	5.85	8.932	7.422
3.9	7.528	6.018	4.9	8.248	6.738	5.9	8.968	7.458
3.95	7.564	6.054	4.95	8.284	6.774	5.95	9.004	7.494

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/					HANDLER CLASS PRICES 1/			
	Per Hundredweight					Class I		Class II	
	Uniform	Base	Excess	Bf. Dif.		Cwt.	Bf. Dif.	Cwt.	Bf. Dif.
June '72	\$6.19 2/	\$6.30	\$4.95	8.0¢		\$7.11	8.1¢	\$4.95	7.8¢
July	6.46 2/	6.60	5.01	8.0		7.09	8.1	5.01	7.8
Aug.	6.50	"	"	8.0		7.10	8.1	5.07	8.0
Sept.	6.72	"	"	8.2		7.16	8.3	5.10	8.1
Oct.	6.73	"	"	8.2		7.22	8.4	5.18	8.0
Nov.	6.92	"	"	8.2		7.25	8.3	5.32	8.0
Dec.	6.91	"	"	8.2		7.33	8.3	5.41	8.1
Jan. '73	6.90	"	"	8.2		7.47	8.5	5.43	7.8
Feb.	7.10	"	"	8.0		7.56	8.1	5.45	7.8
Mar.	6.95 2/	7.07	5.55	7.8		7.58	8.1	5.55	7.4
Apr.	6.80 2/	6.95	5.63	7.4		7.60	7.7	5.63	7.1
May	6.94 2/	7.10	5.66	7.2		7.70	7.4	5.66	7.0
June	7.10 2/	7.24	5.73	7.2		7.78	7.3	5.73	7.0
July	"	"	"	"		7.81	7.3	"	"
Aug.	"	"	"	"		7.88	"	"	"

Date	PRICE QUOTATIONS			PRODUCER MILK USE					
	Chi. 92°	Chi. Area	Minn./Wisc.	(Daily Average)				Percentage Use	
	Butter	Powder	Mfg. Milk	Class I		Class II		Cl. I	Cl. II
	¢ Lb.	¢ Lb.	Cwt. -3.5%	Pounds	Test-%	Pounds	Test-%		
June '72	67.71	31.37	\$4.95	680,498	3.12	503,552	4.43	57.5	42.5
July	67.84	31.45	5.01	806,185	3.19	348,766	4.79	69.8	30.2
Aug.	69.50	31.67	5.07	881,026	3.15	367,422	4.72	70.6	29.4
Sept.	70.25	31.83	5.10	1,013,082	3.21	276,604	5.24	78.6	21.4
Oct.	69.38	33.70	5.18	988,985	3.21	302,983	5.74	76.5	23.5
Nov.	69.29	34.99	5.32	981,185	3.17	198,072	7.50	83.2	16.8
Dec.	70.49	37.36	5.41	920,115	3.15	254,774	6.93	78.3	21.7
Jan. '73	67.72	39.06	5.43	885,877	3.04	316,704	6.53	73.7	26.3
Feb.	67.71	40.34	5.45	959,795	3.09	267,892	7.19	78.2	21.8
Mar.	64.17	41.99	5.55	888,264	3.01	373,861	5.92	70.4	29.6
Apr.	61.58	43.98	5.63	767,656	3.02	540,208	4.95	58.7	41.3
May	61.00	45.20	5.66	793,404	2.93	484,871	4.80	62.1	37.9
June	61.00	45.24	5.73	779,652	2.98	407,557	4.87	65.7	34.3

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLERS GROSS MILK 3/				PRODUCER DATA				
	No.	Total	Class I	Pool	No.	Total	Base	Average	Av. Per
	Hdler	Receipts	Use	Plants	Prod.	Delivery	Delivery	Test-%	Farm
June '72	21	1,346,627	771,942	7	745	1,184,050	1,088,364	3.67	1,589
July	21	1,336,101	910,607	7	741	1,154,951	1,053,562	3.67	1,559
Aug.	20	1,399,884	986,748	7	784	1,248,448	-	3.61	1,592
Sept.	20	1,431,164	1,123,583	7	786	1,289,686	-	3.64	1,641
Oct.	19	1,440,419	1,096,711	7	778	1,291,968	-	3.80	1,661
Nov.	18	1,306,518	1,054,189	7	722	1,179,257	-	3.90	1,633
Dec.	19	1,295,846	981,606	7	723	1,174,889	-	3.97	1,625
Jan. '73	18	1,301,289	958,995	6	769	1,202,581	-	3.96	1,564
Feb.	18	1,315,283	1,026,601	6	745	1,227,687	-	3.99	1,648
Mar.	18	1,354,127	956,276	6	739	1,262,125	1,162,997	3.87	1,708
Apr.	18	1,412,799	839,607	6	732	1,307,864	1,162,188	3.82	1,787
May	18	1,367,832	861,685	6	726	1,278,275	1,140,405	3.64	1,761
June	18	1,273,527	843,702	6	720	1,187,209	1,076,817	3.63	1,649

1/ Excludes Premiums

2/ Weighted Average Price

3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I